WRITTEN ANSWERS TO STARRED QUESTIONS

Deficiencies in management of big PSUs

*121. SHRI SANJAY RAUT:
SHRIMATI SHOBHANA BHARTIA:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether CAG has pointed out that money spent by Government amounting to Rs. 26,000 crores has not been accounted for pointing to mammoth sloth and lack of transparency in the functioning of PSUs and Central Ministries;

(b) whether some black holes have been listed by CAG which include failure to classify accounts;

(c) what are the deficiencies in management of several big PSUs like FCI, Airports Authority of India, SAIL, Indian Oil and ONGC found in the CAG reports; and

(d) whether while scanning transaction of major PSUs, CAG has found huge irregularities with a combined financial implication estimated to be over Rs. 4500 crore?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) and (b) The Reports of the Comptroller and Auditor General of India (CAG) for the year ended March, 2006, have made following observations:—

Sl. No.	Report	Observations	Amount involved (Rs. in crore)
1.	Union Government — Accounts of the Union Government No.1 of 2007	Suspense Balances	8560.40
2.	Union Government (Civil) — Autonomous Bodies - No. 3 of 2007	Outstanding utilization certificates in respect of grants released to statutory bodies, non government organizations etc.	14595.33
3.	Union Government (Commercial) – Transaction Audit Observations – No. 11 of 2007, (Regularity Audit)	Deficiencies in management of PSUs	4547.63

The CAG Report No.1 of 2007 has emphasized the need on the part of the Government to clear the outstanding suspense balances expeditiously and classify them in the appropriate Heads of Accounts. The CAG Report No.11 of 2007 alone relates to the Central Public Sector Enterprises (CPSEs).

(c) and (d) The observations in the CAG Report No. 11 of 2007 include overpayments, wasteful, excess and avoidable expenditure, idle investment, blocking of funds and accumulation of stock, delay in commissioning of projects etc., in respect of CPSEs. These deficiencies relate to 44 CPSEs under 18 Ministries/ Departments having financial implications of Rs. 4547.63 crore. The CPSEs like Food Corporation of India (FCI), Airports Authority of India (AAI), Steel Authority of India Limited (SAIL), Indian Oil Corporation Limited (IOCL) and Oil and Natural Gas Corporation Limited (ONGC) are also part of the 44 CPSEs where deficiencies have been observed by CAG.

Income Tax refund through SBI

*122. SHRIMATI SYEDA ANWARA TAIMUR:
SHRI VIJAY J. DARDA:

Will the Minister of FINANCE be pleased to state:

(a) the authority which will credit the taxpayers accounts within three days of an assessment orders being sent to it in the recently introduced scheme of Income Tax refund through SBI;

(b) how Government would avoid inordinate delay in assessment process by Income Tax officials;

(c) whether any study has been made of the average time taken between the receipt of the IT return and completion of its assessment separately, individual, Corporate Tax-payers-wise; and

(d) if so, what are the findings thereof?

THE FINANCE MINISTER (SHRI P. CHIDAMBARAM): (a) Cash Management Product (CMP) of the State Bank of India (SBI) is mandated to credit the amount of refund into the account of the taxpayer.

(b) The assessing officer performs various activities *i.e.* processing, assessment, recovery, judicial matters and other miscellaneous activities. One of the primary activities is processing of returns and issuance of refunds. Assessment is a quasi-judicial process. Therefore, time taken in assessment cannot be predetermined. It has been the constant endeavour of the Government to reduce the processing time for speedy issuance of refunds.

Some of the steps taken by the Department to reduce the processing time and ensure timely refund to the assessees are:—

(i) Computerized processing of returns has been introduced to reduce the processing time and to ensure timely issuance of refunds.

(ii) Guidelines have been issued by CBDT to process all returns within four months of filing of returns and issue refunds.

(iii) The dematerialization of TDS Certificates is already under process which will reduce the time consumed in the verification of TDS claims thereby reducing the processing time.